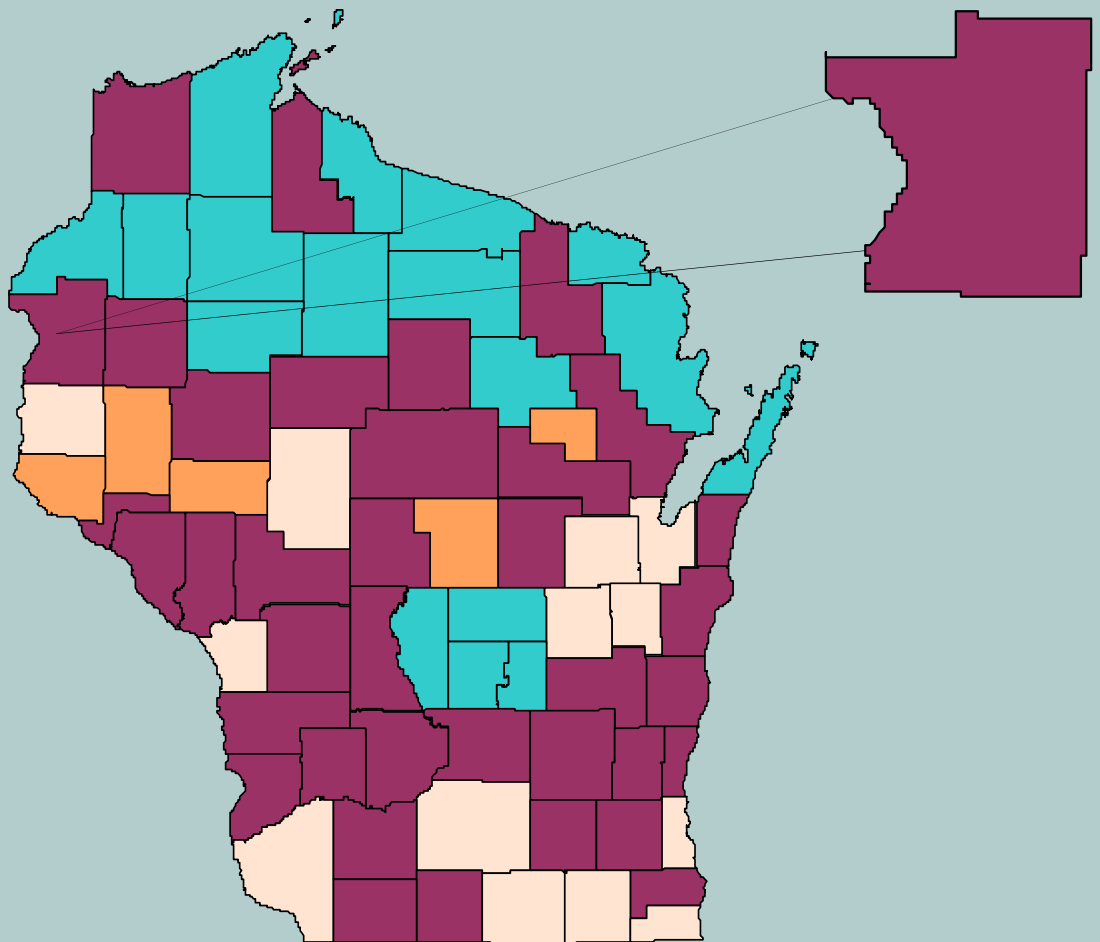


Polk County

Workforce Profile

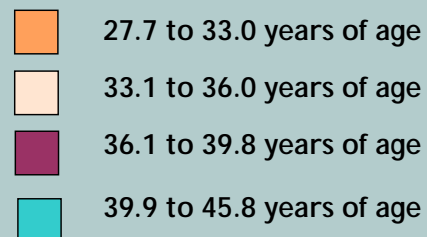
Median Age by County, 2000



Your complete guide to the state of the labor force of today and a glimpse into the economy of tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

The population in Polk County increased 18.8 percent to 41,319 according to Census 2000 information. That marked the fourth decennial census of significant increase in population. In 1970, following a decade of minor growth, the population in Polk County was 26,666. What makes the 1990s different from the other years is that most of the increase occurred from new residents moving into the county instead of an increase from births.

A net gain in population from migration means that more people moved to the county than moved out of the county. From 1990 to 2000, net migration produced an increase of 5,758 residents in the county. Census 2000 revealed that roughly 19 percent of the population over 5 years old lived in a different county in 1995. Of those new residents 60 percent moved from another state and 40 percent from some other county in Wisconsin.

While most of the increase in population occurred from migration, there were also 4,551 births, which exceeded the 3,763 deaths. The percent change in population in Polk County ranked 8th in the state while the migration rate of 16.6 percent was more than triple the state migration rate of 4.7 percent. That pattern of growth continued through 2000 when the population increased by 1.3 percent, exceeding the percent change in the state and nation.

The majority of new residents were white, al-

though there were slight increases among some ethnic groups. The population in 2000 was 98.3 percent white compared with 98.5 percent in 1990. The county American Indian population increased by 113 during the decade and now totals 436. Even though there is no reservation land within the county, the St. Croix Band of Lake Superior Chippewa is in Burnett County and the tribe owns the St. Croix Casino in Turtle Lake, just east of the county line. The towns of Georgetown and Johnstown are home to many American Indians and were among the ten fastest growing towns in the county in the last decade.

The greatest increase in population, though, was in the Town of Osceola where the addition of 748 residents produced a 55.9 percent change. Additionally, the Village of Osceola increased by 346 residents. Both are included among the county's largest municipalities and both continue to lead the county in growth.

Many of the residents that moved to the county during the 1990s were older but not so old that they were ready to retire. The greatest increase in the population occurred in the 50-59 year old age group, followed by the second largest increase in the 40-49 year old age group. Some of the change was from an aging population, but not all of it.

(Continued on page 2)

Total Population

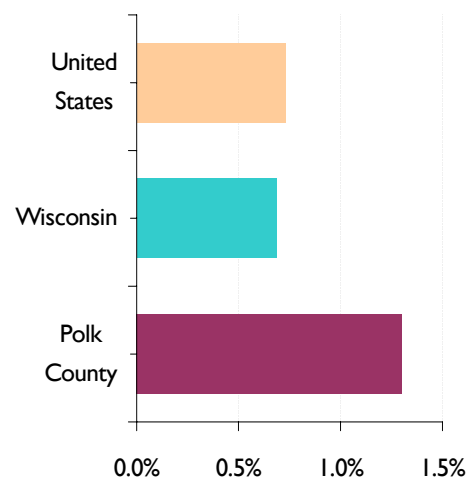
	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Polk County	41,319	41,857	1.3%

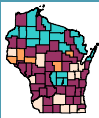
Ten Largest Municipalities

Amery, City	2,845	2,853	0.3%
Alden, Town	2,615	2,656	1.6%
Osceola, Village	2,421	2,457	1.5%
Lincoln, Town	2,304	2,322	0.8%
Osceola, Town	2,085	2,183	4.7%
St Croix Falls, City	2,033	2,037	0.2%
Farmington, Town	1,625	1,646	1.3%
Garfield, Town	1,443	1,468	1.7%
Balsam Lake, Town	1,384	1,397	0.9%
Eureka, Town	1,338	1,357	1.4%

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



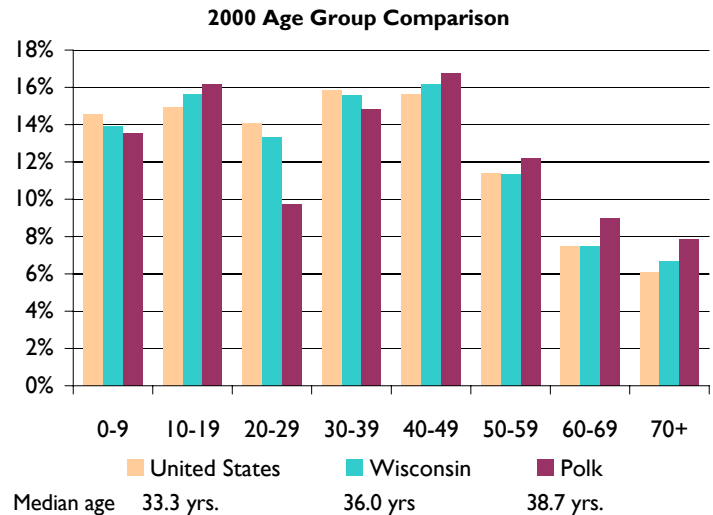


Increases in the age groups on the upper end of the spectrum had an impact on the median age in Polk County that increased to 34.6 years in 2000 from 38.7 years in 1990. The median age in the county is higher than both the state median age of 36.0 years and the national median of 33.3 years.

The higher median age means that there are more residents in the older population groups than in the younger age groups something apparent in the graph on the right. The county has a smaller share of population in the youngest group than both the state and nation. While the 10 to 19 year old group is larger than in both the state and nation, there is a dramatic drop in the 20 to 29 year old group. The larger 10-19 year old group includes the small surge in births during the 1980s and some increase from families with teenagers moving to the county. The drop in 20-29 year olds, however, reflects the loss of high school graduates when they leave to continue their education or seek work elsewhere.

Beginning at age 40, the county share of population in each age group is greater than in both the state and nation. This reflects the increase from new residents moving to the area and the aging of the last of the baby boom population. Over the age of 50 the county has a much larger share of population than the state and nation.

The consequences of this disparity on the current



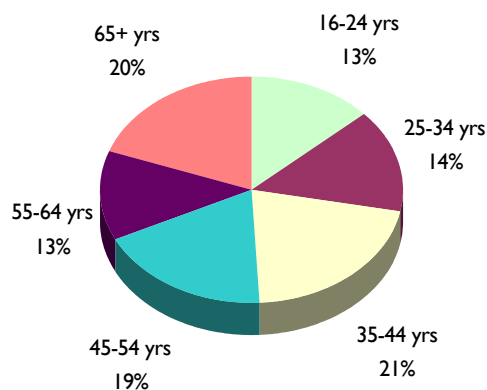
Source: US Department of Commerce, Census Bureau, *Census 2000*

and future labor force cannot be overstated. While the labor force has already shown signs of diminished growth, the full impact of fewer younger people available for the labor supply and an increasing older population preparing to retire will exacerbate the labor shortage. Compounding the problem of fewer workers is an aging population requiring more services that historically have been supplied by a young workforce.

The US Bureau of Labor Statistics (BLS) includes only the population 16 years and older as a potential source of labor. The BLS also excludes the population residing in institutions, such as nursing homes and prisons, and military personnel as a source of labor

County Civilian Labor Force

Polk County Labor Force Age Groups



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

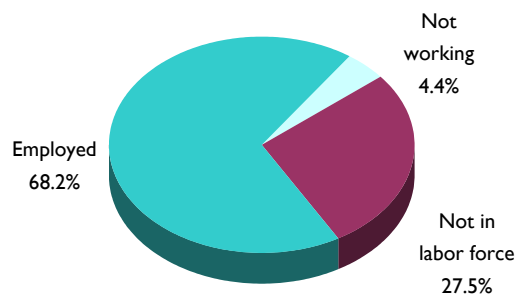
The Polk County population in 2000 16 years and older totaled 24,882. This population comprises the potential labor force in the county even though 20 percent is 65 years and older. The population over 65 years old shares some common characteristics. To begin with, most of them are retired, even though a recent trend has retirees returning to the workforce to pursue new interests.

Other age groups also share characteristics. The 16-24 year olds are generally in school, work part-time and during summer breaks, and are starting their first jobs. This group is largely responsible for the increase in labor force during the summer months.

(Continued on page 3)

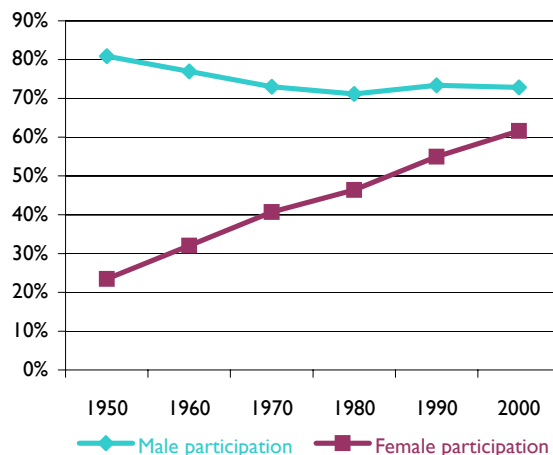


2001 Labor Force Participation



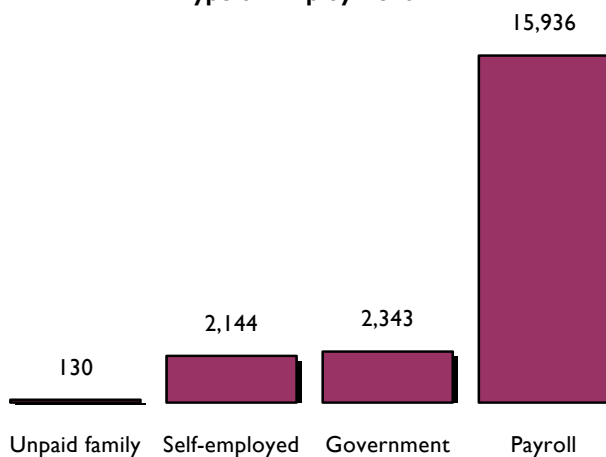
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, Census 2000

Type of Employment



Source: US Dept. of Commerce, Census Bureau, Census 2000

The next group, 25-34 year olds, are the work-force of the future, developing and honing skills and beginning new careers. Many are starting and raising families, acquiring property, and working in at least one job if not two. Many of these same characteristics are shared by the next group, the 35-44 year olds. This group is also preparing to send children to college, adding or upgrading housing, and looking for ways to add to the family income. Labor force participation is often highest in this group.

By middle-age, workers begin to think about retirement, and during the 1990s, workers were retiring in their fifties. By 65 years old most of the population has retired.

Because each age group has different interests the number of individuals who are employed or at least look for work varies. Labor force participation rates by age groups from Census 2000 is scheduled for release in the fall of 2002.

An estimate of labor force participation for 2001 in Polk County included 68.2 percent of the labor force age population that worked, 4.4 percent of the population that was unemployed and 27.5 percent who choose not to work. The labor force participation rate in 2001 (the percent of the population 16 years and over that either worked or looked for work) was 72.5 percent.

This labor force participation is based on an estimate from the Local Area Unemployment Statistics (LAUS) program and is lower than the state rate of 73.5 percent but higher than the national rate of 66.9 percent. Labor force participation peaked in the county in the mid-1990s and has been falling steadily since then. This is a high participation rate for a county with one in five residents in the labor force age population over 65 years old.

Labor force participation varies not only by the age of the population but also by sex. Over the last fifty years, participation in the labor force of females has increased while participation of men has declined. There are a number of factors that serve as explanations for these divergent trends, but the most comprehensive is the change from the county's industry mix away from goods-producing jobs towards service-producing jobs. Another factor is access to retirement income, especially for men who have been in the workforce longer and in more permanent positions, than women.

Labor force participants who work are engaged in

(Continued on page 4)



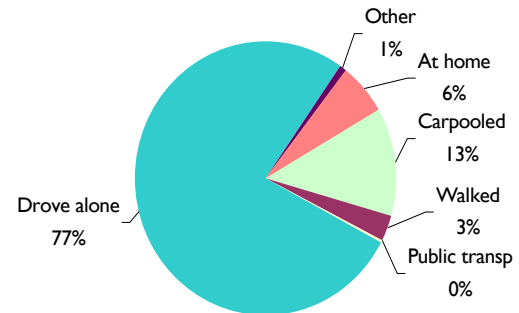
several 'types of employment'. In Polk County 78 percent of the employed population work for a private employer and receive a payroll check. Government workers also receive a payroll check, but comprise only 10.4 percent of total employment.

With 11 percent of workers in Polk County self-employed or working as an unpaid family member, the share is much higher than in the state (6.4%). However, the share of self-employed and unpaid family workers has declined since 1990. Self-employed and proprietors tend to stay in the labor force longer than workers in payroll jobs.

The number of self-employed and unpaid family members is a good reminder that total employment in the labor force includes more workers than just those employed in payroll jobs. It is one of the reasons that total employment was greater than the number of nonfarm wage and salary employment (see page 5). Total employment in 2001 was 21,800 yet there were only 14,990 jobs in Polk County.

An additional factor that effects the local labor force is the number of workers who commute into, or in this case out of, the county for jobs. Census 2000 revealed that nearly one-quarter (23.3%) of the workers residing in Polk County traveled to an-

County Travel-to-Work Patterns



Source: US Dept. of Commerce, Census Bureau, Census 2000

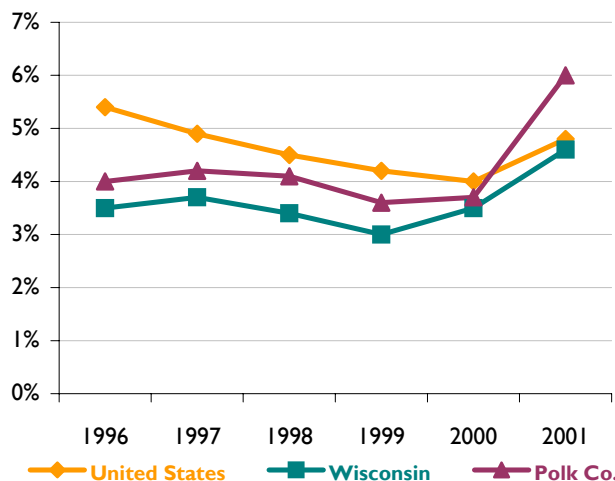
other state, most likely Minnesota, and another 15 percent traveled to other counties in Wisconsin. The specific destination of those workers from the census will not be released until 2003.

Over the last five years the number of employed residents in Polk County increased by 1,100 from 20,700 in 1996. The dip in employment in 1999 may be due more to an anomaly in estimating than a loss of jobs in the county, although some employers did reduce staffing during that year.

The unemployment rate, which was lower than the national rate through 2000, is currently higher than the rate in either the nation or the state. In addition to the loss of production jobs, seasonal fluctuations in construction and tourism jobs elevate the unemployment rate during the winter months and raise the annual average rate. In March 2001, the county unemployment rate reached 8.9 percent but by September it fell to 3.9 percent.

Most of the workers in Polk County drive alone to a job, while 13 percent, higher than the state, were part of a car pool. With limited public transportation available in the county it is no surprise that few residents use it. Even statewide, however, only two percent of workers use public transportation.

Unemployment Rate Comparison



Polk County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	21,600	22,400	22,400	21,600	22,200	23,200
Employed	20,700	21,400	21,500	20,800	21,400	21,800
Unemployed	850	930	910	790	830	1,390
Unemployment Rate	4.0%	4.2%	4.1%	3.6%	3.7%	6.0%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002



County Industry Employment

Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	12,995	13,695	14,074	14,350	14,780	14,991	1.4%	15.4%
Goods Producing	4,348	4,619	4,905	5,144	5,299	5,335	0.7%	22.7%
Construction & Mining	515	541	624	755	792	722	-8.7%	40.2%
Manufacturing	3,832	4,078	4,281	4,389	4,508	4,613	2.3%	20.4%
Durable	2,243	2,418	2,633	2,797	2,893	3,083	6.6%	37.4%
Nondurable	1,589	1,660	1,648	1,592	1,615	1,530	-5.3%	-3.7%
Service Producing	8,648	9,076	9,169	9,206	9,481	9,656	1.8%	11.7%
Transportation, Communications & Utilities	507	507	497	512	499	478	-4.1%	-5.8%
Total Trade	2,824	2,985	2,932	2,987	3,059	3,048	-0.4%	7.9%
Wholesale	430	440	385	335	366	378	3.2%	-12.3%
Retail	2,393	2,546	2,547	2,652	2,693	2,670	-0.8%	11.6%
Finance, Insurance, and Real Estate	414	414	438	455	458	458	0.0%	10.8%
Services & Misc.	2,621	2,833	2,959	2,891	2,980	3,143	5.5%	19.9%
Total Government	2,282	2,337	2,344	2,361	2,485	2,528	1.7%	10.8%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

Nonfarm wage and salary employment is an estimate of the number of jobs generated by employers who are located in Polk County. All payroll jobs are counted and include occupations from managers to laborers, who work full- and part-time, in permanent, temporary, and seasonal positions, and are paid hourly, through commissions or by piece-work. Employment is classified using the Standard Indus-

trial Classification (SIC) of the primary product of the employer.

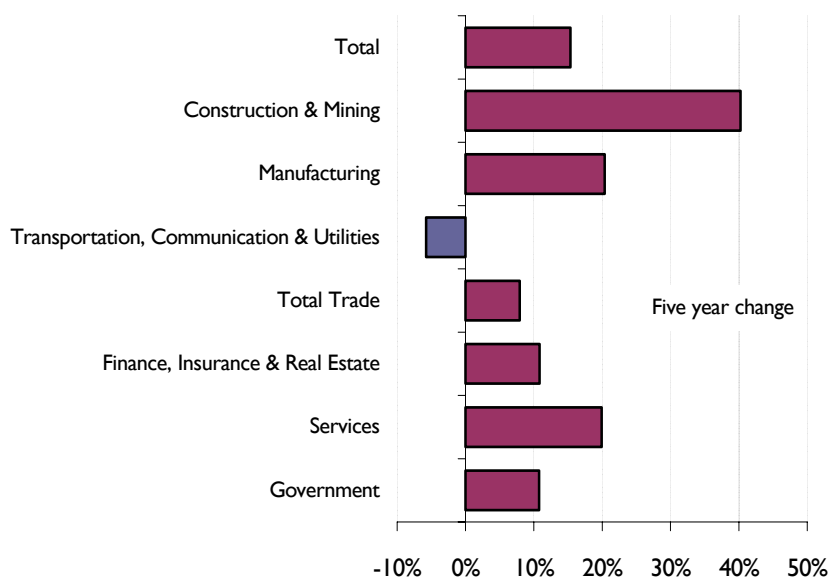
It becomes apparent when you look at this table that there are more workers living in the county than there are jobs. There were 14,990 nonfarm wage and salary jobs in the county in 2001, a year when the total number of employed in the labor force (county residents) was 21,800. Local employers, however, did create jobs in the last five years and increased employment opportunities for local residents.

Total nonfarm employment increased 15.4 percent from 1996 to 2001, exceeding the increase statewide of 8.7 percent. Since 1996, manufacturing employers producing durable goods added 840 jobs, while nondurable goods producers reduced payroll. Nearly all of the loss in nondurable goods employment occurred in the last year and the top ten industry group list on page 6 points to some losses from rubber and miscellaneous plastics production. Transportation, communication and utilities and wholesale trade employment reflect greater negative percent changes but the loss of jobs was smaller than from nondurable manufacturing.

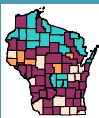
In spite of these reductions, job growth

(Continued on page 6)

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



Top 10 Employers

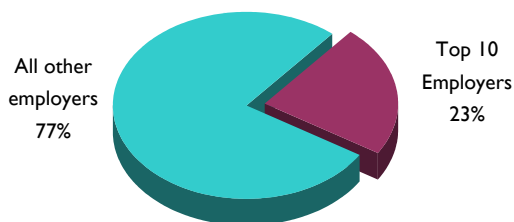
Company	Product or Service	Size
Polaris Industries Inc.	Transportation equipment	500-999
County of Polk	Executive & general government	500-999
St. Croix Regional Medical Center Inc	Health care services: hospital	250-499
School District of Amery	Education	250-499
Osceola Public School	Education	250-499
Balsam Lake-Unity-Milltown Public	Education	100-249
Amery Regional Medical Center Inc.	Health care services: hospital	100-249
Wal-Mart Associates Inc.	General merchandise store	100-249
Advanced Food Products LLC	Food products: cheese	100-249
Ladd Memorial Hospital Inc.	Health care services: hospital	100-249

Top 10 Industry Groups

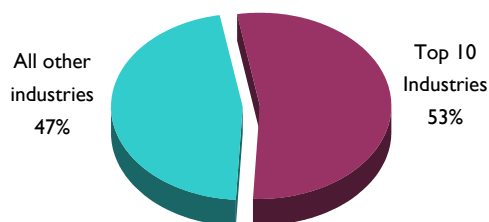
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Health Services	48	1,666	18	289
Educational Services	11	1,504	101	201
Eating and Drinking Places	88	892	-8	109
Transportation Equipment	*	*	*	*
Industrial Machinery and Equipment	21	718	72	93
Rubber and Misc. Plastics Products	13	639	-52	-134
Automotive Dealers & Service Stations	38	495	-12	62
Food Stores	20	489	32	114
Special Trade Contractors	64	385	-82	100
Food and Kindred Products	*	*	*	*

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

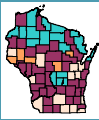
of 1.4 percent in the last year was strong especially when compared with the loss of jobs in the State of Wisconsin. Statewide manufacturing employment declined six percent, but in Polk County it increased. Employers adding jobs in the services industry also exceeded the increase statewide of 1.1 percent.

Three of the top ten employers in Polk County are health care providers, part of the services industry division. Another three are schools and one is

county government. Only one manufacturing employer remains on the list (in 2000 there were three). Of the 1,097 employers in the county, these ten provide 23 percent of the jobs.

The ten largest industry groups, on the other hand, provide over half the jobs in the county. Some of these groups are represented by the county's largest employers, but others like eating and drinking places, automobile dealers and service

(Continued on page 7)



stations, and food stores include many smaller employers. All three groups are part of the retail trade industry division.

Retail trade employers provide nearly 18.8 percent of the jobs in Polk County just slightly more than the jobs with employers in the services industry division, the third largest industry division in the county. Even though retailers provide more jobs, the total payroll to workers is only 9.9 percent of the total from all county employers of \$335,051,089 while that from services industry employers is 15.9 percent of the total. One reason for the smaller

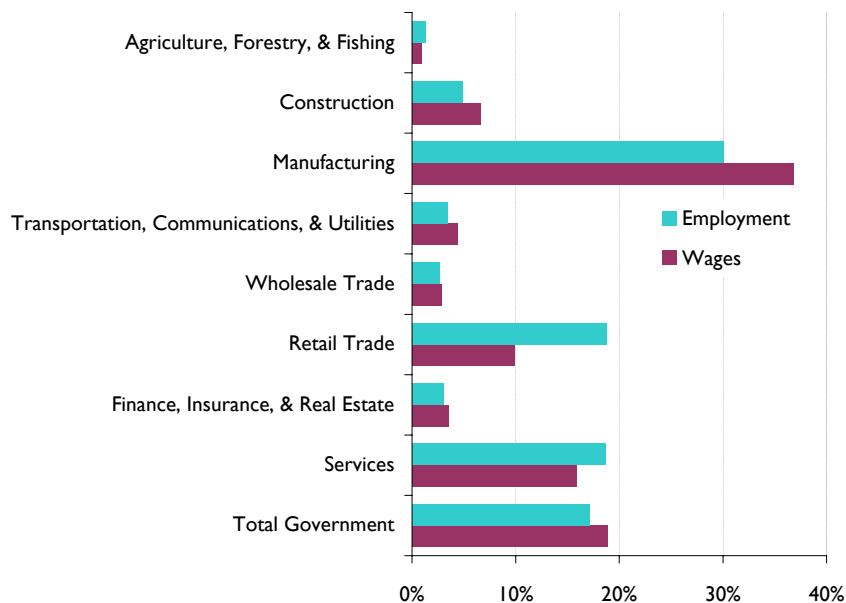
payroll is that many of the jobs in retail trade are part time and seasonal. To smaller degree this is also true of jobs in the services industry and helps explain why annual average wages in these two industries are so low.

That said, the annual average wage for retail trade workers in Polk County was nearly 89 percent of that paid to similar workers statewide while in services the annual average wage was only 72 percent. The disparity in wages for services industry workers is from the mix of occupations needed by county employers compared with the state and the hourly wages paid in those jobs.

Employers in the manufacturing industry division provide 30 percent of jobs in the county and 36.8 percent of the payroll. Workers with manufacturers earn only 76 percent of their counterparts statewide and have the third highest average wages in the county. This is the result of seasonal fluctuations in work and the lower wages paid by county employers.

Of the caveats that affect the annual average wage in an area, part-time and seasonal work, turnover, overtime; one, employer reductions, still needs mentioning. Employers generally lay off the least senior workers who earn less money than those retained. The higher wages of the remaining workers inflate the increase in wages over a year.

2001 Employment & Wage Distribution by Industry Division



Annual Average Wage By Industry Division

	Polk Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 24,580	\$ 30,922	79.5%	2.3%	25.0%
Agriculture, Forestry, & Fishing	\$ 17,100	\$ 22,565	75.8%	1.3%	14.4%
Construction	\$ 33,521	\$ 39,011	85.9%	0.3%	22.4%
Manufacturing	\$ 30,105	\$ 39,739	75.8%	2.3%	27.2%
Transportation, Communications, & Utilities	\$ 31,526	\$ 36,639	86.0%	4.2%	28.6%
Wholesale Trade	\$ 27,103	\$ 40,521	66.9%	0.8%	17.2%
Retail Trade	\$ 12,953	\$ 14,596	88.7%	4.5%	27.2%
Finance, Insurance, & Real estate	\$ 28,709	\$ 40,933	70.1%	3.0%	43.4%
Services	\$ 20,845	\$ 28,775	72.4%	3.5%	24.4%
Total Government	\$ 27,038	\$ 33,785	80.0%	4.9%	19.7%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



Occupation and Education Characteristics of County Population

The previous pages explored jobs classified by industry, but jobs are also classified by occupation. Data on occupation employment is more difficult to access, especially at the county level, but the census offers a glimpse into the types of occupations in Polk County. The distribution of occupations reflects the employment of all resident workers, including those that are self-employed.

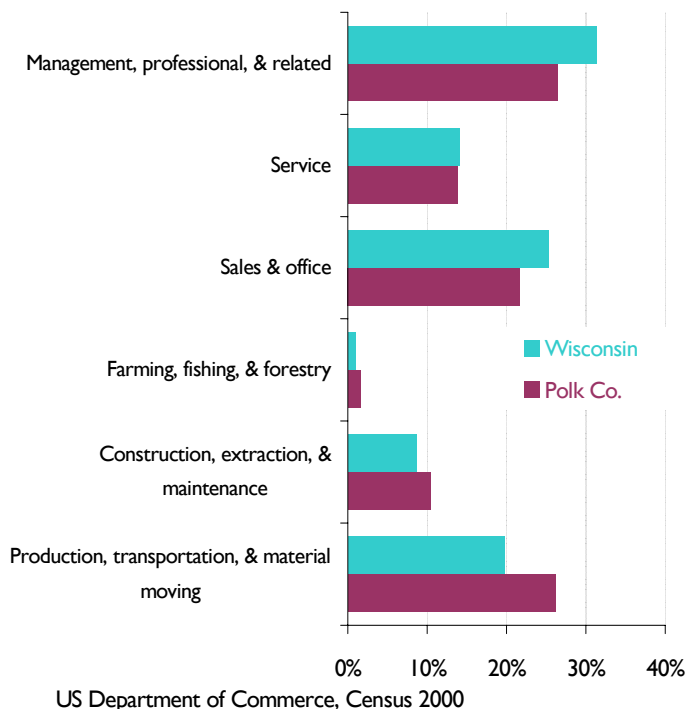
The largest group in the state is management, professional and related occupations, as it is in Polk County. In Polk County, however, it is only slightly larger than the group that includes production occupations which is consistent with the industry composition.

The management, professional and related occupations in Polk County primarily include jobs as teachers and health care professionals. These jobs are found with employers in the services industry division and local school districts and require education and training beyond high school. Nationally, 80 percent of jobs in this group require post-secondary education, while in Wisconsin, roughly 78 percent do.

In Polk County 45 percent of the population 25 years old and over has some education beyond high school, but only 16 percent hold a college degree. Statewide, 22.5 percent of the same population group holds a college degree (Census 2000).

Nearly 30 percent of the population has 1-3 years of post-secondary education that could include

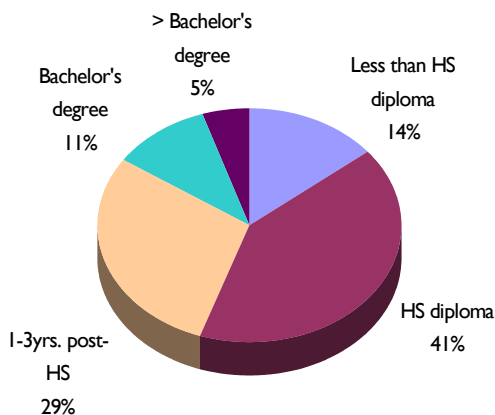
Employment by Occupation Group: 2000



some college with no degree, an associate degree, or technical college training. Workers in this group find employment in all occupational groups including the production, transportation, and material moving occupational group, the second largest in the county. Employers now expect workers in these occupations to have some training beyond high school. The same is true of many of the sales and office occupations, the third largest group in the county. Workers in these occupations, such as accounting clerks, advertising assistants, technical sales representatives, and general office clerks, are employed in all industries.

The fourth largest group is service occupations. This group is the same share in the county as in the state and has the fewest occupations that require training beyond high school. Workers in service occupations comprise 14 percent of the workforce in the county and the state. Service occupations include nurse aides, janitors, kitchen workers, waiters, and police and firefighters. Wages for many of these jobs are low and workers often work less than 40 hours per week.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, Census 2000



County Income Information

The median household income in 1999 (last full year of income data used for census) in Polk County of \$41,183 was 94 percent of the state median income of \$43,791. Over 14 percent of the 16,305 households in the county had an annual income under \$15,000 while less than seven percent earned more than \$100,000. So many households with low income contribute to a poverty rate in the county of 7.1 percent but even that is better than the rate in the state of 8.7 percent.

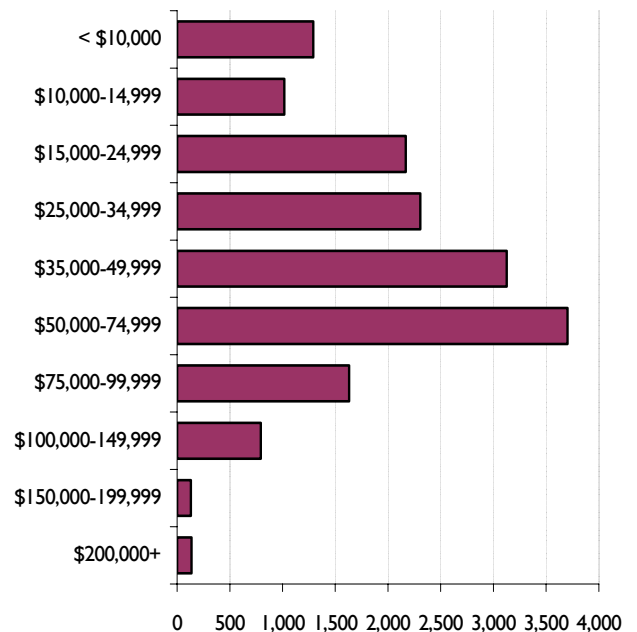
Household income is higher than either per capita personal income or annual average wages because households generally include more than one person (the average in Polk County is 2.5 persons per household) and workers often hold more than one job. In addition to wages from all workers, household income includes earnings from self-employment, proprietorships, investments, assets, social security, retirement, Veteran's benefits, welfare, and unemployment benefits.

Per capita personal income (PCPI) is the total income in an area, \$940,559,000 in Polk County, divided by the total population. PCPI in Polk County in 2000 of \$22,688 was 81 percent of the PCPI in Wisconsin and 77 percent of the United States. In the last year it increased 5.7 percent, greater than the increase of 4.6 percent in the state but less than the 5.8 percent increase in the nation.

Incomes are lower in Polk County, not only because of lower wages but also because of a larger elderly population living on fixed incomes. Income

Households by Income Range

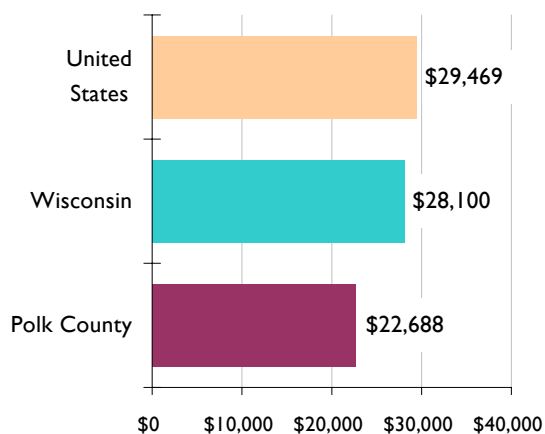
Median household income in Polk Co. \$41,183



Source: US Dept. of Commerce, Census Bureau, Census 2000

from government retirement and medical payments comprises 84 percent of transfer payments and transfer payments in the county are a much greater share than in either the state or nation. The population living on fixed income will only increase in the next ten years.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

